PARLIAMENT OF KENYA

JOINT SITTING OF THE NATIONAL ASSEMBLY AND THE SENATE

THE HANSARD

Twelfth Parliament – Fifth Session

(Special Sitting of Parliament convened via Kenya Gazette Notices No.12823 of 23rd November, 2021 and No. 12989 of 26th November, 2021)

Tuesday, 30th November 2021

Parliament met at thirty minutes past three o'clock in the National Assembly Chamber at Parliament Buildings

ARRIVAL OF HIS EXCELLENCY THE PRESIDENT

[His Excellency the President (Hon. Uhuru Kenyatta) escorted by the Speaker of the Senate (Hon. Kenneth Lusaka) and the Speaker of the National Assembly (Hon. Justin Muturi) entered the Chamber at thirty minutes past three o'clock accompanied by the Maces of both Houses]

[His Excellency the President (Hon. Uhuru Kenyatta) took the Chair of State]

(The National Anthem of Kenya and the Anthem of the East African Community were played)

(The two Maces were placed on the Table)

PRAYERS

CONVOCATION

CONVENING OF SPECIAL SITTING OF PARLIAMENT FOR THE PRESIDENTIAL ADDRESS PURSUANT TO ARTICLE 132 OF THE CONSTITUTION

The Speaker of the Senate (Hon. Sen. Kenneth Lusaka): Your Excellency, Hon. Uhuru Kenyatta, C.G.H, President of the Republic of Kenya and Commander-In-Chief of the Kenya Defence Forces;

The Hon. Speaker of the National Assembly, Rt. Hon. Justin B. Muturi, EGH MP;

Hon. Members of Parliament;

Article 132 (1) (b) of the Constitution of Kenya requires the President to address a special sitting of the Parliament of Kenya once every year and at any other time.

Further, Article 132 (1) (c) requires the President to inter alia report, in an address to the nation, all measures taken and progress achieved in the realisation of the national values set out in Article 10 of the Constitution. In addition, Article 240 (7) of the Constitution requires the President, in his capacity as the Chairperson of the National Security Council (NSC), to report to Parliament annually on the state of the security of Kenya. In this regard, pursuant to Article 132 (1) (b) and (c) (i) and (ii) of the Constitution and Senate Standing Order No.22 (i) and (ii), upon a request by the President vide letter reference No. OP/CAB2612A dated 19th November 2021, I gave Notice of this Special Sitting to the Hon. Senators Vide Gazette Notice No. 12989, which was published on Friday 26th November, 2021.

Accordingly, Hon. Members, this Special Sitting is properly convened.

I thank you.

(Applause)

The Speaker of the National Assembly (Hon. Justin Muturi): Your Excellency, Hon. Uhuru Kenyatta, C.G.H, President of the Republic of Kenya and Commander-In-Chief of the Kenya Defence Forces;

The Hon. Speaker of the Senate, Rt. Hon. Senator Kenneth Lusaka, EGH;

Hon. Members of Parliament;

Article 132 (1) of the Constitution of Kenya requires the President to address a Special Sitting of Parliament once every year and at any other time.

Further, Article 132(1) (c) requires the President to once every year report in an address to the nation on measures taken and progress achieved in the realisation of our national values. Additionally, Article 132 (1) (c) (iii) provides that the President shall submit a report for debate to the National Assembly on the progress made in fulfilling the international obligations of the Republic.

In this regard, Hon. Members, by way of a Message to the House dated 19th November, 2021, His Excellency the President conveyed his desire to address a Joint Sitting of the Houses of Parliament today, 30th November, 2021. Consequently, pursuant to the provisions of Article 132 (1) (b) and (c) (i) and (ii) of the Constitution and the provisions of Standing Order No. 22 of the National Assembly Standing Orders, by *Gazette Notice* No.12823, which was published in the *Kenya Gazette* on 23rd November 2021, I gave Notice of this Special Sitting to the Members of the National Assembly.

Accordingly, Hon. Members, this Special Sitting is properly convened.

Your Excellency, allow me, in the usual parliamentary practice, to recognise some of the distinguished guests who are with us today. Seated in the Speaker's Row, are His Excellency the Hon. Deputy President of the Republic of Kenya, Dr. William Ruto, EGH;

(Applause)

The Chief Justice of the Republic of Kenya, the Hon. Lady Justice Martha Koome, CBS; the former Prime Minister and the African Union's High Representative for Infrastructure Development in Africa, the Rt. Hon. Raila Amolo Odinga, EGH; and,

(Applause)

Former Vice President of the Republic of Kenya, the Hon. Stephen Kalonzo Musyoka, EGH.
Hon. Members, please, join me in welcoming them to the National Assembly.

(Applause)

Your Excellency, allow me to also welcome other members of the Judiciary present today. They are Hon. Lady Justice Njoki Ndung'u, Judge of the Supreme Court; Justice Daniel Musinga, President of the Court of Appeal; Lady Justice Lydia Achode of the High Court of Kenya; Justice Oscar Angote and Lady Justice Maureen Onyango.

(Applause)

Your Excellency, may I also accord special recognition to all Cabinet Secretaries present, the Head of the Public Service, Dr. Joseph Kinyua; Principal Secretaries, the Governor of Nairobi City County, Hon. Anne Kananu; Members of the diplomatic corps present and the Chairperson of the County Assemblies Forum, who is also the Speaker of the County Assembly of Nyandarua, Hon. Wahome Ndegwa.

You are all welcome to Parliament.

(Applause)

Honourable Members, invited guests, ladies and gentlemen, it is now my singular honour and privilege to invite His Excellency the President of the Republic of Kenya and Commander-In-Chief of the Kenya Defence Forces to address this Special Sitting of Parliament.

Welcome Your Excellency.

(Applause)

PRESIDENTIAL ADDRESS

EXPOSITION OF PUBLIC POLICY

His Excellency the President (Hon. Uhuru Kenyatta): Thank you very much.

Hon. Speaker of the National Assembly, Hon. Speaker of the Senate, Hon. Members of Parliament, distinguished guests, ladies and gentlemen. It is indeed my distinct honour and high privilege to once again return to the Chambers of Parliament to deliver my Eighth State of the Nation Address since my assumption of office as the Fourth President of the Republic of Kenya on Tuesday, 9th April 2013.

As always, it is a great pleasure to return to this august House, where I have had the opportunity to serve on both sides of the parliamentary divide with many of you who are present here today. I first served as a Nominated Member of Parliament and was introduced into this Chamber by Hon. Raila Odinga and Hon. Musalia Mudavadi, and later as a Cabinet Minister.

(Applause)

After an unsuccessful presidential bid in 2002, I found myself on the Opposition benches as the Leader of the Official Opposition and Member of Parliament for Gatundu South.

(Applause)

Five years later, I was called to serve as Deputy Prime Minister in the Grand Coalition Government under His Excellency the former President, Hon. Mwai Kibaki and the Hon. Prime Minister, Rt. Honourable Raila Odinga.

(Applause)

In that Administration, I held two positions: The Minister for Trade and later the Minister for Finance.

This journey of mixed fortunes taught me that you could serve your country in any capacity because service is not a position, it is action. It also taught me to have empathy for both sides of the parliamentary divide and, indeed, all shades of political opinion. Of all the lessons, the enduring one is that Kenya is always greater than any one of us. Indeed, in times of great political turmoil, men and women must be spurred by the love for their country to bridge partisan divides and to come together to put Kenya first.

(Applause)

It is not always easy but, Hon. Members, it is necessary. Then as now, we are called upon to do all that is necessary to heal Kenya, build bridges and focus on the 99 per cent of shared visions of a better Kenya as a priority to the one per cent of differing ideologies and positions. Personal ambitions were placed aside for the good of Kenya and the enduring benefit of generations of Kenyans yet unborn and that selfless service and sacrifice led to the people of Kenya ultimately working together, bestowing upon me the high honour and extreme privilege of serving them as President in 2013. For the trust and faith that the great people of Kenya placed on me, I am and will forever be most grateful and eternally humbled.

(Applause)

Hon. Speakers, today I return to Parliament as President and I am here to fulfil a constitutional imperative introduced into our political tradition and practice by the 2010 Constitution. In fact, I was indeed privileged to be the Second President to be discharging this constitutional mandate when I first made my first State of the Nation Address on 27th March 2014.

Article 132 of the Constitution mandates the President to report to a Special Joint Sitting of both Houses of Parliament on measures taken and progress made in the realisation of our national values as defined by Article 10 of our Constitution. I am also constitutionally obliged to report on the status of our fulfilment of the international obligations of the Republic and the state of our national security and the general state of the nation.

In line with this constitutional instruction, my address today will emphasise on three elements that I consider important to our country: First is the state of our economic development, which is about our national wellbeing; second is the state of our social structure, which looks at the restoration and propagation of the dignity of our people; and third is the state of our nationhood, which speaks to the soul of our nation, including the state of our democracy.

Before I report on these thematic areas, allow me, ladies and gentlemen and Hon. Members; to give a brief account on the state of our national response to emerging disruptions. Specifically, I want to put on record how the power of choice on the part of our Administration, as supported by Parliament and the county governments, turned the COVID-19 pandemic from a national crisis to what I believe is an intergenerational opportunity.

Hon. Speakers, when the pandemic hit our country in March 2020, we were quick to warn the nation that a crisis is twin-fold; partly a danger and partly an opportunity, at the same stroke. I highlighted the inescapable fact that depending on what you focus on in a crisis, you can either emerge triumphant or indecisive out of fear and despair. In other words, the crisis is indeed all about choices. Those who chose danger and fear under the COVID scare did not survive. Those who saw the crisis through the lens of opportunity developed resilience and were able to build back better. For instance, a Kenyan company known as Revital operating in Kilifi County in the Coast Region became Africa's largest producer and exporter of vaccine syringes during the COVID period.

(Applause)

In 2020 alone, Revital exported over 70 million COVID vaccine syringes to over 20 countries globally. In fact, Revital currently has the capacity to produce 300 million COVID vaccine syringes every year. The global shortage for COVID vaccine syringes stands at two billion and this itself is taking advantage of opportunity. This means Revital is able to produce one out of every 10 COVID vaccine syringes globally. The company saw opportunity in the crisis of Covid, adapted accordingly and innovated its business processes to optimise on the new opportunity.

Another company in the same league is Hela, a global apparel making company with a foothold in Kenya. In the first months of the pandemic, this company changed its strategy from producing clothes to producing Personal Protective Equipment (PPE) and facemasks. With the World Health Organisation (WHO) requirements of 80 million facemasks per month at the height of the COVID duress, Hela produced five million masks a month between April and May 2020. This means, through innovation, Hela manufactured one out of 16 masks required globally per month thus contributing immensely to the slowing down of the COVID pandemic. This, again, was a case of seeing opportunity in a disaster and adapting to the changes.

However, choices are nothing without leadership. I say so because when COVID-19 hit our country, my Administration found itself confronted with a dilemma of two rights. Opinion was sharply divided on whether to lockdown the country or to leave it open. On one side of the divide, they presented an economic argument. They advised us to leave the country open and save the economy. They argued that COVID was a health crisis that should not trump economic imperatives. The other side of the divide made a compelling health argument against the economic argument. Led by a brain trust of medical scientists and researchers, they argued that the country had no option but to lockdown. Their models pointed to a soaring crisis if drastic choices were not made. According to these experts, a series of irreducible minimums had to be met before considering softer health protocols.

Indeed, after much reflection we opted for the public health argument over the economic argument. Our rationale was that we can always revive an ailing economy but we cannot bring to life those who die from the pandemic. With this logic informing our choices, we set out to build the irreducible minimums recommended by the experts to forestall a Covid disaster. Although the health argument won, we did not dismiss the economic argument in total. We made fiscal choices to cushion the economy through a number of economic stimuli. Today I am happy to go on record in this august House as having succeeded in the choices that my Administration made. Because of our fiscal stimuli, today I can report that the impact of COVID on our economy was 14 times lesser than that on the global economy.

As part of the first Stimulus Package, we announced interventions that warranted the National Exchequer to forgo taxes amounting to Kshs176 billion. These tax measures included: -

(i) The immediate reduction of Value Added tax (VAT) from 16 per cent to 14 per cent;

(ii) A 100 per cent Tax Relief of all persons earning up to Ksh24, 000;

(iii) Reduction of Pay as You Earn (PAYE) from 30 per cent to 25 per cent;

(iv) Reduction of Corporation Tax from 30 per cent to 25 per cent;

(v) We also caused the lowering of the Central Bank Rate (CBR) to 7.25 per cent from 8.25 per cent so as to prompt commercial banks to lower interest rates applicable to their borrowers and thereby avail much needed affordable credit to Micro, Small and Medium Enterprises (MSMEs) across the Country;

(vi) We Lowered the Cash Reserve Ratio (CRR) to 4.25 per cent from 5.25 per cent so as to provide additional liquidity of Kshs35 billion to commercial banks in order to directly support borrowers who were distressed as a result of the economic effects of the COVID-19 pandemic;

(vii) The Central Bank of Kenya also provided flexibility to banks with regard to the requirements applicable to loan classification and provision of loans that were performing as of 2nd March 2020;

(viii) We further engaged banks and all financial institutions to support all enterprises and families that sought to restructure their commercial banking through debt moratoriums and review of tenure of those facilities;

(ix) There was a temporary suspension of the listing with Credit Reference Bureaus (CRB) of any person, MSMEs and corporate entities whose loans account had fallen overdue or were in arrears;

(x) The Kenya Revenue Authority was directed to expedite the payment of all verified VAT refund claims amounting to Kshs10 billion or in the alternative allow for the offsetting of withholding VAT in order to improve cash flows for businesses; and,

(xi) The Kshs6.0 billion from the Universal Health Coverage kitty was immediately appropriated strictly towards supporting counties in the recruitment of additional health workers to support in the management of the spread of COVID-19.

We subsequently rolled out the Second Stimulus Package with the support of this House, whose tenet was an eight-point economic stimulus programme amounting to Kshs56.6 billion. The first element of the eight-point programme focused on the "Buy Kenya Build Kenya" Policy. On local infrastructure development, we allocated Kshs10 billion towards the National Hygiene Program (NHP), dubbed the *Kazi Mtaani* initiative. The programme was conceptualised as an extended public works project aimed at utilising labour intensive approaches to create sustainable public good in the urban development sector. The Programme has so far secured gainful engagement to over 750,000 youths engaged in improvement to the environment and hygiene and in the rehabilitation of access roads, footbridges and other public infrastructure through local labour.

The second element of the programme was Education with an additional Kshs6.5 billion to the Ministry of Education to hire an additional 10,000 teachers and 1,000 Information and Communication Technology (ICT) interns to support digital learning, and the acquisition of 250,000 locally fabricated desks.

The third element of the programme targeted Small Medium Enterprise (SMEs) through an injection of Kshs5 billion as seed capital for the SME Credit Guarantee Scheme. The intention here is to provide affordable credit to small and micro enterprises.

The fourth focused on Universal Health Coverage through acquisition of locally made beds. The fifth element of the stimulus programme focused on agriculture. We prioritised Kshs3 billion for the supply of farm inputs through e-vouchers, targeting 200,000 small scale farmers; and a further Kshs1.5 billion to assist flower and horticultural producers to access the international markets in a period where we had a shortage of flights into and out of our country.

Tourism was the sixth area of target for the stimulus programme. To jumpstart this important sector and protect its players from heavy financial losses, we provided soft loans to hotels and related establishments through the Tourism Finance Corporation (TFC), and a total of Ksh2 billion was applied towards renovation of facilities and the restructuring of business operations by actors in this industry.

To mitigate the impact of deforestation and climate change, and to enhance the provision of water facilities; we rehabilitated wells, water pans and underground tanks in the Arid and Semi-Arid areas. We applied Kshs2.5 billion for flood control measures and on our Greening Kenya Campaign.

The eighth and final element of the stimulus programme was manufacturing. As a strategy, we enforced the policy on “Buy Kenya Build Kenya”. We set aside an initial investment of Kshs600 million to purchase locally manufactured vehicles. This was expected to sustain the operations of local motor vehicle manufacturers and the attendant employment of workers.

Hon. Speakers, the foregoing interventions helped to reinforce the resilience of our economy whilst cushioning millions of households against the effects of the economy. In that regard, while most economies in the world shrunk, Kenya’s economy grew at 0.3 per cent during 2020 despite the COVID-19 challenge. Although this positive growth was minimal, the second quarter of 2021 registered the most impressive growth ever recorded in our nation’s real Gross Domestic Product (GDP). During the second quarter of 2021, real GDP recorded a phenomenal 10.1 per cent growth. This is the highest growth ever recorded in a one quarter in Kenya’s history.

(Applause)

It is also the first time Kenya has hit a double-digit growth. The last time Kenya’s economy got close to this kind of performance was in 2010 during the Grand Coalition Government, when the economy hit an 8.4 per cent growth rate.

(Applause)

It was this impressive trajectory that led me to announce the 13-point interventions unveiled on Mashujaa Day this year to cushion the economy with a further Kshs25 billion as our Third Stimulus Package, pushing the aggregate of our stimuli over the COVID-19 period to Kshs257 billion. The Third Stimulus Package focuses on the key productive and service sectors that covered agriculture, health, education, drought response, policy, infrastructure, financial inclusion, energy and environmental conservation. These 13 interventions were as follows:

The first intervention was in the tea sub-sector, where I am pleased to confirm that we have supported the tea sub-sector with Kshs1 billion in support of fertiliser subsidies for our tea farmers, securing our nation's top agricultural export. I am also happy to report that our tea farmers are today receiving the highest pay they have ever had in many years.

(Applause)

The second intervention was in the sugar sub-sector. I note with satisfaction that smoke is once again billowing in our public sugar mills following the allocation of Kshs1.5 billion in aid of the sugar sector that is being applied towards factory maintenance and payment of farmers' arrears.

The third intervention was in the coffee sub-sector. I confirm that Kshs1 billion was released in support of the ongoing reforms in the sub-sector that is being applied towards completion of the ongoing targeted interventions in the coffee sub-sector.

The fourth intervention was in the livestock sub-sector. The Kshs1.5 billion National Livestock Offtake Programme is on course in support of communities adversely affected by the ongoing drought in arid and semi-arid counties.

(Applause)

The fifth intervention was also in the livestock sub-sector. I confirm that the interventions geared towards the reduction of the cost of animal feeds are well on course.

The sixth intervention was in education. Noting the success of my Administration's policy on 100 per cent transition from primary to secondary school, I directed that the National Treasury should allocate a further Kshs8 billion to the Ministry of Education for the Competency-Based Curriculum (CBC) Infrastructure Expansion Programme targeting the construction of 10,000 classrooms. I am most pleased to confirm to the nation that all the counties' works in construction of the classrooms should commence by early December 2021.

The seventh intervention was in health. To enhance access to medical coverage across our country, and as part of our Universal Health Coverage Programme, I directed the Ministry of Health to establish an additional 50 new Level Three hospitals to be situated in both non-covered areas and densely populated areas across our nation. I also directed the National Treasury to allocate a sum of Kshs3.2 billion for immediate construction of these new medical facilities.

The eighth intervention was in the National Sanitation Programme. As I said earlier, we started this programme to harness the energy of our young people and give them a buffer against COVID-19 related unemployment. Noting the success of the Kazi Mtaani Programme and its effect in enhancing opportunities for youths across our country, we required the National Treasury to allocate a further Kshs10 billion for the third phase of the Kazi Mtaani Programme to cover youths and to be rolled out in all our counties across the country.

The ninth intervention was on energy and petroleum. Being fully aware of the positive strides being made in our economic recovery, and cognisant that those gains stand the risk of being eroded by high energy prices, I am pleased to confirm that we are on course to institutionalise the sought reforms.

The tenth intervention was on access to credit. Critically, I asked the National Treasury and the Central Bank of Kenya (CBK) to consider suspending the blacklisting of creditors with loans below Kshs5 million at the Credit Reference Bureau (CRB) in a move targeted to retain the bounce-back potential of the foundation of our economy.

As the eleventh intervention, I also asked the National Treasury and CBK to consider revising the maximum amount an individual or enterprise can withdraw or deposit from a bank that previously stood at Kshs1 million, which was not supportive of our current business environment. I am glad to report to Parliament that as of 8th November 2021, the CBK issued a notice suspending the listing of negative credit information for borrowers with loans below Kshs5 million that fell into arrears from 1st October 2021 to 30th September 2022. This will give the medium, small and micro enterprises (MSMEs) 12 months to re-organise themselves and adapt to the new economic normal.

I am also happy to report that the CBK is at an advanced stage of revising the Kshs1 million threshold for cash deposits and withdrawals in the banks.

(Applause)

This will facilitate easy transactions for SMEs and help the economy respond to the COVID-19 shocks.

The twelfth intervention was in the digital financial services sub-sector. In recognition of the importance of the digital financial services, especially to small-scale traders and households at large, I directed the National Treasury to engage all digital payment providers with an aim of deepening and expanding the use of digital payment channels.

The thirteenth intervention was a two-pronged one in the area of vaccination against Covd-19. As part of our national response to the COVID-19 pandemic, we rolled out the National Vaccine Deployment Plan aimed at vaccinating 10 million adults by June 2022 and approximately 16 million by June 2023.

With regard to COVID-19 vaccine production, we have set out to implement the lesson of self-reliance, which was one of the key learning points of the pandemic. As the first step towards this goal, we established the Kenya Biovax Limited, a venture that would locally produce anti-COVID-19 vaccines. I, therefore, directed the Ministry of Health to operationalise the company to 'form and fill' and eventually manufacture our locally-produced vaccine by Easter of 2022.

Hon. Members, ladies and gentlemen, at this point I would also like to take special note of the resilience of our revenue collection system under the Kenya Revenue Authority (KRA). For the first time in 8 years, KRA has exceeded its revenue collection target despite the COVID-19 stress on the economy. The KRA projected a Ksh1.52 trillion collection in tax during 2020 which means that they collected Ksh1.67 trillion, which was in excess of their projected intention. On this note, I must also report on the sterling performance of KRA, not only under the COVID-19 duress, but in the last 8 years of my Administration. In the last 8 years, KRA has collected Ksh.10.8 trillion cumulatively in revenue. This means that in just 8 years, KRA has collected the equivalent of Kenya's total GDP. It also means that on average, KRA collected Ksh.1.3 trillion every year.

Hon. Members, to accelerate the turnaround of our micro, small, and medium enterprises, under the Ease of Doing Business Government Agenda, my administration has implemented remarkable reforms over the years. These measures have not only improved the country's business climate but they have also mitigated the challenges and bottlenecks impacting businesses.

The key reforms that we have implemented include the full automation of business-registration services, re-engineering of the application for power, water and sewer connection and automation of the land registration processes. In addition, we have adopted e-payment, e-filling and e-service at the Commercial Division of the High Court and fully operationalised the

Small Claims Court, which has seen disputes involving SMEs, mostly our young people, being resolved within a record 60 days and thus freeing up capital locked-up in legal disputes.

Equally important is the full automation and streamlining of the payment of taxes in order to ease burden of compliance and the re-designing of the import and export processes, which has reduced the cost while improving efficiency of our ports, among other notable reforms.

Hon. Speakers, as an affirmation that our reforms on ease of doing business are bearing dividends, just last week we scored a global first. The President of the European Investment Bank was in the country to witness the official opening of the European Investment Bank's first regional hub outside the European Union.

(Applause)

The Nairobi regional hub will cover eleven countries in Eastern and Central Africa and will act as a pilot for the setting up of other EIB regional hubs into the future. This speaks to our administration's agenda to position Nairobi as an International Financial Centre.

(Applause)

Hon. Speaker, an even better example of COVID-19 resilience is the strengthened relationship between the national and county governments. Although the National and County Governments Summit has operated smoothly since it became effective, I must admit that the COVID-19 pandemic revitalised its energy.

Whenever we gathered as a summit during this crisis, the consciousness of the entire nation was called to order. We put asunder the political dynamics of the moment, and our only business became Kenya. We demonstrated in word and in deed, that devolution is a powerful driver of socio-economic development, it creates synergies and acceleration points that in turn generate tangible benefits for all Kenyans.

We understood very well that to overcome this crisis, we had to act as one. Rather than allowing the Nation to succumb to COVID-19 fatigue, we came together and galvanised our people towards strength, resilience, and building back better. Where others stumbled and fell, we rose and soared.

During the COVID-19 stress period, the national and county governments demonstrated their true leadership. Nothing demonstrates this better than the strengthening of our healthcare systems under the dark cover of the COVID-19 pressure.

When the COVID-19 pandemic hit our country, we had an ICU bed capacity of only 108 beds countrywide. This translated to an average of two ICU beds in each county. In the face of COVID-19, this reality was a disaster. But given the collaboration between the two levels of government, we increased the ICU bed capacity by 502% during the COVID-19 period.

(Applause)

Equally important to note, during the COVID-19 pandemic period we had a capacity to only generate Ksh3 million litres of oxygen per day in March 2020. Today, I am proud to say that we have improved our oxygen generation capacity in public health facilities, by ten times to Kshs32 million litres per day as at October 2021.

(Applause)

Kenya can be proud of one more innovation. In March 2020, we had only one laboratory that could test notifiable diseases of international concern. In fact, we had to send our tests for notifiable diseases to South Africa.

When the COVID-19 pandemic hit our country, we had to wait for five days for the South African laboratories to send us results. Today, we have moved from one testing laboratory to 95 well-equipped laboratories.

(Applause)

What is it then that we have learnt more from the COVID-19 disaster? We have learnt that our solutions must be home-grown. That is why we have commissioned a vaccine development project for disruptive viruses like COVID-19 to serve not only Kenya but the region at large.

Hon. Speakers, another national reminder of the opportunities we seized during COVID-19 was the sight of the Likoni Channel Crossing. Previous scenes of Mombasa residents, congested along the Likoni Ferry are now a thing of the past. The iconic Likoni Floating Bridge, built in a record time of six (6) months, and opened to the public in December 2020, sees over 150,000 residents cross the channel on a daily commute in an orderly, safe and secure manner.

This has not only allowed for the efficient management of time and mobility across the channel, but significantly moderated the incidences of COVID-19 transmission, and contributing to our overall disease mitigation strategy in the coastal region.

Kenya has taken pride of place through this initiative - a first of its kind in the region – linking Liwatoni on Mombasa Island with Ras Bofu in the Likoni mainland. We intend to adopt such innovative approaches and learning to deliver on similar challenges in our various sectors.

Hon. Speakers, COVID-19 was both a danger and an opportunity. And because we focused on the opportunity side of the crisis, now Kenya has developed the necessary infrastructure for the rolling out the Universal Health Coverage Outreach. But of equal importance, our COVID-19 innovations in the area of health have propelled us to a place where Kenya can become a destination for health tourism for the region and beyond.

Hon. Members, ladies and gentlemen, I cannot end this COVID-19 part of my address to Parliament without paying tribute to the people of Kenya for their commendable civic responsibility in the fight against COVID-19. While my administration provided leadership and action, our people supported with self-sacrifice and civic duty. As you will recall, very early in the pandemic, I warned our people that the Government cannot police the morality of its citizens.

I warned that in a war against an invisible enemy like COVID-19, our former way of life would have to be adapted to a new normal where every Kenyan was his or her neighbour's keeper. In this, new normal citizens do not fight for liberties; they scramble for survival. When I made this call for civic responsibility in the face of COVID-19, I also emphasised that responsibility is not a burden. It is a civic duty. I pay tribute to our fellow citizens for being responsible members of our communities. As our forefathers stressed time and time again, our greatest strength will always be our unit. Today I am happy to report that despite the challenges, immense pressures and limits on our way of life, Kenyans rose to the task and acted responsibly. Where others were reluctant, Kenyans gladly sacrificed for the good of the whole. For that reason, we were able to bend the curve and prevent worst-case scenarios. Due to this, and after careful consideration, during the Mashujaa Day celebrations, I lifted the curfew and restriction of movement countrywide.

(Applause)

Once again, as we have always done, we have shown that Kenyans are a people who put country above self and neighbour above individual. We are a people who firmly believe in exercising our rights and freedoms in a responsible and purposive manner.

While a few battles have been won, the war against COVID-19 is not yet won. We cannot rest on our laurels. Now, more than ever, we are faced with yet another variant of this Corona Virus - the Omicron variant - that is said to carry a higher risk of infection. This variant may explain the infection rate spikes we are witnessing across the globe. I pledged to the nation in June this year that by Christmas we would have over 10 million adults vaccinated. As of today, we have achieved a target of 7.1 million Kenyans, up from 5 million as announced on Mashujaa Day in October 2021.

Hon. Speakers, to fortify our national resolve against COVID-19, and in honour of all the Kenyans we have lost to the disease, I today urge all Kenyan adults to visit their nearest medical facility to receive their COVID-19 vaccination. The COVID-19 vaccines are in stock across all our counties. Already, with a daily average rate of over 100,000 vaccinations, we have a much smaller target to meet within the next 25 days. Therefore, I once again call on all Kenyans to rally under the call of "25 days to Christmas" to secure their vaccinations to meet and surpass the target that we set ourselves. I invite the media, in all its various forums and forms, to use their platforms to perform the social good and promote the vaccination campaign.

This new variant's profile remains unknown for now. It is, therefore, better to err on the side of caution. By receiving our vaccinations, we will have played our part in securing not only our own lives, but also in protecting the lives of those around us. Let us be responsible in this endeavour. That shot in the arm is our most powerful weapon against a disease that has ravaged the world. That shot in the arm of every adult Kenyan will also be a shot in the arm for our economy and our social institutions. It ensures that, if we can conquer and put this disease aside and fully return to normal, we can continue on our growth trajectory. No Kenyan should hold back from this perfectly safe and free way to protect themselves, their families, their neighbours, their colleagues and the nation at large. Let us tear down this disease, ladies and gentlemen.

Hon. Speakers, throughout our history, the collective task of nation-building has been guided by the shared aspirations of eradicating the indignities of ignorance, disease and hunger. This was the vision that fuelled our struggle for Independence. Post-Independence, every Kenyan generation and administration since has sought to do all within its means to finally slay the three-headed monster that has plagued us for over many centuries. To steer the nation towards a path for the realisation of these aspirations, the people of Kenya entrusted the responsibility of actualising that vision to the elected and appointed State officials, and officers to whom the powers of our nation have been delegated. These elected and appointed State officers include 47 Governors, 350 Members of the National Assembly, 67 Members of the Senate and 2,240 Members of the County Assemblies. We are many but, we must act as one -one Government of Kenya that acts in unison to give the people of Kenya a better present and a brighter future.

Our collective contributions to move the nation closer to her destiny of a fairer, just and equitable Kenya for all, builds on the intentions of previous administrations as supported by the Houses of Parliament and the organs of the state. I say this fully aware of our enormous work and that this enormous work cannot be concluded in one generation. Ours is a relay race where we receive the baton and run the race, and pass it on to our successors, unbroken. This most notable intergenerational quest is what inspired the Big Four Agenda as the strategic guide for my second term in office. To do so, my administration and our colleagues in both tiers of Government had to make commitments towards the transformation in the four key areas of intent. The first one is liberating our people from the poverty of dignity caused by inadequate services. The second is transitioning our people, especially our youth, from being recipients of handouts to producers of goods and services as well as owners of capital. The third is building a holistic base of human capital that is food-secure and health-assured. The fourth is the restoration of the dignity and the pride inherent in one owning a decent home.

Hon. Speakers, I will now give an account of what my administration has done, not only in the last year but also what we have attempted to do in the last eight years as well. I will use the last eight years to give these august Houses a scale against which everything that my Administration has achieved is to be measured. I will use history as a yardstick that we can borrow from to appreciate the achievements of our two tiers of Government and our objective of delivery.

The first area of thrust that I will report on is the state of our economic development. I will borrow from the Four Legacy Frames I articulated in my Madaraka Day Speech on 30th June 2021 in Kisumu City. Under the state of our economic development, I will report on two frames that have guided my administration. These are Economic Acceleration and the Big Push Investments.

Allow me, Hon. Members, to start with Economic Acceleration which is increasing the speed of achieving our economic goals. I also use the word "acceleration" to imply the mechanism of multiplying our economic fundamentals. When my administration took office in April 2013, we were eager to multiply what was bequeathed to us. And I am happy to report to this Parliament that we have multiplied our critical fundamentals in ways even I did not imagine were possible. For instance, in 2013, Kenya was Africa's 12th wealthiest nation with a GDP of Ksh4.74 trillion. This GDP was accumulated in a span of 123 years through the four administrations before us because I include the colonial administration. In just eight years, my administration has multiplied this GDP by a factor of two plus. Today, our GDP stands at Ksh11 trillion, up from Ksh4.74 trillion.

(Applause)

From being ranked as the 12th wealthiest nation in Africa when I took over, we have moved six ranks to become the 6th wealthiest nation on the continent, on account of the choices we have made. As I said earlier, in the second quarter of this year, our real GDP grew by 10.1 per cent, the first such growth in the history of our economy. The notable contributors to this growth include the ICT sector, which grew by a significant 25.1 per cent in the second quarter of 2021. In fact, the ICT sector, is projected to become a prime mover of our economic growth in years to come.

Other sectors that contributed significantly to the real GDP growth in the reference quarter include the transport sector, which grew by 16.9 per cent; and manufacturing, which grew by a record 9.6 per cent. However, the hotel industry presents a more compelling picture of recovery from the COVID menace. At the height of the COVID pandemic in 2020, this industry registered a negative growth of 63.5 per cent in the third quarter of 2020. During the first quarter of 2021, this industry showed some improvements and contracted by 48.8 per cent. By the second quarter of 2021, this industry was on the path to recovery and had grown by 9.1 per cent showing, a remarkable upturn. Here, I look forward to all our global partners. COVID will not be defeated by locking all of us down and by shutting off parts of the world we think are problematic. No one will be safe from COVID until we are all safe. Please, *jameni! Tumefanya kazi msitufungie tena.*

(Applause)

Hon. Members, ladies and gentlemen, given that we have doubled our GDP in a record eight years, it is no wonder that Kenya is projected to grow twice as fast as the sub-Saharan economies in the period 2021/2022. And this is all because of leadership and the power of choice. Allow me to give further examples of acceleration and the multiplication of our fundamentals as a strategic intent of my administration. A case in point is that as we have doubled our real GDP, we have also doubled our road network across the entire Republic. Besides the road's infrastructure, my administration has made the largest infrastructure project in a century, with the construction of the Standard Gauge Railway (SGR).

(Applause)

In respect of roads infrastructure, when my administration came to the helm, there were 11,200 kilometres of tarmacked roads constructed by four previous administrations in 123 years. Like I said, I include the colonisers as well. In eight years, my administration has multiplied what the previous administrations had done by a factor of two. We have built 10,500 kilometres of roads across the Republic and doing so 15 times faster than the previous administrations. And, I will expound on this in a little while.

On Railway, on the eve of Madaraka Day in 2017, we marked a transformative moment for Kenya and for Africa, when the Madaraka Express made its inaugural journey from Mombasa to Nairobi. The largest infrastructure project in Africa had become a reality, and a brand-new modern railway had become a feature of our homeland and nation. Since then, the way we travel to Mombasa has been redefined with Madaraka Express having served 6,495,027 passengers; while our cargo gets to the stores of our enterprises efficiently and in time with a record 17.6 million tonnes of cargo transported from 1st January 2018 to yesterday 29th November 2021.

Turning to power generation, our acceleration model was applied to the production and distribution of electricity countrywide. When I took the oath of office in 2013, Kenya's total grid was 1,300 megawatts. But 8 years later, Kenya's total grid has doubled and it now stands at 2,600 megawatts. This translates to approximately 325 megawatts installed every year under my administration. It means that, for every year we installed 325 megawatts since 2013. The previous administrations installed a combined average of only 12 megawatts per year. Put differently, in eight years we have generated 40 times more power per year compared to the past administrations.

Hon. Members, it is worth of noting that 73 per cent of this power is green energy. In fact, Kenya is leading the African continent in the generation of green energy. But this is not the only thing which Kenya is leading the continent. I am proud to report that we have connected more homes to power than any other country in Africa, in just six years. In fact, Kenya is the leading country in Africa with respect to household connections to electricity.

(Applause)

In the eight years, we have connected 1.7 million more households than Egypt. Similarly, we have connected as many households as South Africa and Nigeria combined during the eight years of my administration. In real terms, only 2.3 million households had been connected to power when I took over in 2013. In eight years, we have tripled this number by connecting an extra 6.3 million households. Put differently, and guided by our acceleration model, we have connected approximately 787,500 households every year or an average of 2,000 connections a day since 2013. By any measure, this acceleration is noteworthy. Besides access to electricity, my administration has also embarked on implementing the recommendations of the Presidential Taskforce that established a pathway for reduction of the cost of electricity by 30 per cent by the end of this year. Hon. Speaker, we are tearing down all barriers that deny Kenyans an opportunity to lead a dignified life.

Now I turn to devolution and how my administration has used the acceleration framework to multiply the economic fundamentals of the counties. As the first President to implement the 2010 Constitution, the task of rolling-out devolution fell squarely on me. Although the letter of the Constitution provided for a phased approach to the devolution of functions to counties, the spirit of the Constitution suggested an urgent "big bang" approach in creating the devolved structures. This meant giving county government's political, administrative and financial autonomy all at once. We were to do this without the luxury of a strategy dry run to determine whether this "big bang" approach would work.

Fortunately, Article 187 of the Constitution gave us three years to execute this constitutional instruction. While three years was a fair period to achieve the "big bang" effect of transferring functions to fragile counties, my administration chose an even bolder path. Driven by our acceleration doctrine, we chose to transfer functions to the county structures in one year instead of the constitutional threshold of three years. And because we were committed to the success of the county structures, we followed our accelerated devolution of functions with two critical drivers.

One, we undertook a massive transfer of highly skilled civil servants from the national government to the county governments. This battery of highly trained personnel was meant to give the county governments a head start. And they did so in terms of setting up the county public services, including their operating structures and systems. Two, within the first year of my tenure, my administration increased the equitable share allocation to county governments from the constitutionally mandated 15 per cent to 32 per cent. This was a doubling of allocation in support of the execution of the devolved dream. And we did this because we understood and appreciated that devolution of functions without 'devolution of funding' was an exercise in futility. Today, the National Government has disbursed approximately Ksh2.44 trillion to county governments over the last eight years. The aggregate amount that will have been disbursed to the counties for the next financial year is therefore projected to surpass the Ksh.3 Trillion mark. The aggregate of the amount we have committed to our counties is almost equivalent to our current national budget. And taking all things constant, this amount approximates the budgets of the first and the second independence administrations, combined. In other words, for the last 8 years, we have percolated to the counties what the entire Republic operated with for a period of close to 39 years.

But how has this percolation of resources changed the economic fundamentals at the county level? How has it fast-tracked the embeddedness of devolved functions in 8 years? Evidence abounds on this, but I will give a few examples at hand. Accelerated devolution has, for instance, delivered shoes with a magical label "Made by Kitui County, Kenya" and given Makueni County its first mango processing plant. Makueni County received Ksh110 million from the Devolution Advice and Support programme. This money supported the processing plant and benefitted 12,000 mango farmers by creating value addition. The plant is now buying one mango at 15 shillings from farmers who previously sold their produce in the open market place at 5 shillings at the very best price or more often than not, left the mangos to rot away. Their income has grown ten-fold and provided ground for their farming undertakings to take-off. Makueni is also on record as being one of the counties with a capacity to manufacture its own oxygen, especially in the context of COVID-

19. Similarly, the county has developed a Universal Health Coverage Insurance scheme known as Makueni Care. And all this has been catalysed by our principle of resource percolation to the emerging county structures.

Another example of county innovation is in Kajiado. In the wake of the COVID-19 pandemic, the county looked for a way of distributing food to hungry members of its populace. Through an integrated system dubbed M-Riziki, which virtually linked financiers and beneficiaries, 30,000 households of the population were able to receive food using the system in 2020. M-Riziki saved the county the logistical nightmare of transportation. The digital platform also ensured that shopkeepers who partnered with the county to provide goods worth Ksh1,500 per person remained in business during the COVID duress. This innovative approach to distributing relief food closed off avenues of corruption, and created efficient ways of delivering services to the indigent. There are many more testimonies as to how accelerating the formation of county structures and supporting them with skilled personnel, resources and legislation has embedded devolution in the last 8 years. Once sleepy towns, have now been roared into life, driving not just grand infrastructure developments but also tangible increase in household incomes of ordinary Kenyans.

As devolution takes root, and as an affirmation of the equitable development we continue to enjoy, and in keeping with the resolution of the Senate; I will tomorrow, 1st December 2021, have the high privilege of conferring on Nakuru Municipality with City Status. Nakuru City will join Kisumu, Mombasa, and Nairobi as cities. With a reputation as East Africa's cleanest town, all of Kenya looks forward to Nakuru City growing by leaps and bounds.

I am happy to report to these august Houses that my administration has laid a sound foundation for the devolved system of government; a foundation that has the potential to multiply the economic fundamentals of our county economies immeasurably. You may ask why we chose to accelerate certain goals in our development agenda. Why did we choose to accelerate the issuance of titles deeds, double our road networks, build a brand new modern railway, double our power production and double our GDP? Why has my administration taken such tremendous strides in creating accelerated development? It took England 200 years to industrialise, the United States of America 160 years, and Japan 110 years. However, we look not towards those nations but to China, which compressed the progressive economic changes experienced by those countries into a single generation. Instead of taking the 200 years it took England to industrialise, China took only 35 years. Similarly, the four Asian Tigers of Hong Kong, Taiwan, Singapore and the Republic of Korea took 25 years to industrialise. And that is why their accelerated growth was called the 'Asian Miracle'.

The secret to these 'miracles' was acceleration. The Asian Tigers, for instance, accelerated the achievement of critical development fundamentals; and this allowed them to industrialise at a rate that was faster than 'normal'. They contracted their development timelines by implementing aggressive interventions on multiple sectors of the economy, simultaneously. This reduced the intervals between the phases of industrialisation and allowed them to catch-up with the West. And like these countries, the policy choices of my administration have been about contracting our development timelines through aggressively implemented projects. We are moving with speed because there is no time like the present to deliver the dreams of Kenyans for a better tomorrow.
If the acceleration models worked for the Asian Tigers, who were at the same level of development as Kenya in 1965, they can work for us too. And if these countries industrialised in 25 years because of the bold choices they made, we too can set the stage for economic transformation and achieve it in record time.

Allow me now to report on the second frame of my development agenda, which I referred to in my Madaraka Day Speech of this year as the 'Big Push Investments'. These are bold undertakings that are futuristic in outlook. Most of these investments are in the form of roads, rail, and ports. Some of them are a revival of the dead capital installed by the previous administrations, which are, nonetheless, critical to our development path today. Regarding roads, the handiwork of my administration is evident across the entire country. There are some counties which have received their first tarmacked roads since God made Kenya, and that was done during my administration. As I said earlier, in eight, years we have built approximately the same number of kilometres of road that were built by the colonizers and the previous three administrations combined.

Although our achievements in this area cannot be gainsaid, I reiterate that my administration was not building roads for their own sake. Ours was not a quest to lay down tarmac for statistical purposes only. We realised that roads are literally the path to development and that every inch of tarmac we lay contributes to accelerating businesses, creating the foundation for greater individual and national prosperity. We did it for you, the Kenyan people, to tear down the barriers that hold back every citizen from making their individual contribution to nation building.

For example, once the 27 kilometres Nairobi Express Way is completed in February next year, it will take one 24 minutes to drive from Mlolongo, Machakos County, to Rironi, Kiambu County.

(Applause)

Currently, that journey takes you three hours, which is the equivalent of flying to Addis Ababa and back.

(Applause)

Let me add that plans to build a dual carriageway from Rironi, where the Nairobi Express Way will terminate to Mau Summit, are also at an advanced stage. Once completed, it will take just 45 minutes to drive from Nairobi to Naivasha.

Across the Republic, in every region, we are converting dusty murram roads to world-class roads**.** Our dream is to create an efficient road network that links towns and cities, ports and stations, and markets to consumers.

Over the last eight years, and for the first time since Independence, Kenya is now linked to four of its five neighbours by tarmacked roads. This is how we are facilitating the economic integration of our region, tearing down every barrier to the realisation of our shared aspirations as a people.

For instance, by linking our road networks to the Northern Corridor, we are plugged into a multi-modal trade route that links the landlocked countries of the Great Lakes Region with the Kenyan Maritime Sea Port of Mombasa.

Similarly, the East Africa Coastal Corridor Development Project will link us along the coastline from Malindi through Lunga Lunga up to Bagamoyo and Dar-es-Salaam in Tanzania. The corridor will promote tourism and trade along the Indian Ocean.

Of equal note, the Sirare Corridor will form an integral link to the Northern Corridor and is a major transit route for traffic to and from Tanzania, Uganda, Rwanda, Burundi and South

Sudan. It links the border town of Sirare on the border of Kenya and Tanzania to South Sudan at Nakodok.

With regard to ports, the development of the Port of Lamu has been a particular point of pride for my administration. This port was first conceptualised in 1972, nine years after we gained Independence. However, it took 39 years for works on the Port of Lamu to commence. Through our futuristic model of 'Big Push Investments', we have made it a reality in only eight years.

The Port of Lamu is the only post-colonial Sea Port in Africa, built and financed by an African Government.

(Applause)

All other major seaports were built in the late 1800s or early 1900s; when most of Africa was under colonial rule. This Port is, therefore, significant in terms of the futuristic thinking of our country.

We are also in the process of building a road from Lamu-Garissa-Isiolo linking up to Isiolo-Moyale Road and opening up the Port of Lamu and the huge potential that exist in Northern Kenya, and also with our partners in Ethiopia. This is the end of Part 1.

(Laughter)

Hon. Members, because of the sheer depth and breadth of this Port, it has the potential to re-organise the world's shipping network by becoming a trans-shipment hub in Africa.

Trans-shipment hubs are ports that allow large vessels that are unable to access destined ports of call due to their size. There are only five trans-shipment hubs globally, and the Port of Lamu has the potential to become the sixth. If we remain focused on our development agenda, this will become a reality sooner than later.

There is another strategic niche in the Port of Lamu that is futuristic. This Port is placed right in the middle of the manufacturing hub of the Asian Continent in the East, and the heart of consumption in the West.

The distance between Shanghai, the manufacturing hub in the East, and Rotterdam, a consumption port in the West, is approximately 12,000 nautical miles. However, the distance between Rotterdam and Lamu is only 6,000 nautical miles. If we were to make the coastal region an outsourced manufacturing hub for western products, the Port of Lamu has the potential to cut the price of those products by half. This would, therefore, be based purely on shipping costs because the Port of Lamu is half the distance to the West compared to the Port of Shanghai.

If we are to see the Port of Lamu through this futuristic lens, we will exploit our geographical advantages to make an imprint on global trade.

Another Big Push Investment we have made in support of regional trade through our ports is the expansion of the Kipevu Oil Refinery and Oil Terminal.

For 128 years, Kenya has served the five countries of the region using only one oil berth at the Kipevu Oil terminal. This single oil berth could only handle one vessel at a time. And for the most part, it took one vessel days to offload its fuel. This meant that the other vessels in the queue to offload had to be paid waiting demurrage charges and penalties, by oil marketers. The resultant cost of those inefficiencies is borne by the Kenyan consumer, which, overall, makes our economy uncompetitive. This year alone, an average of Khs1 billion was lost in the first four months in demurrages at the Old Kipevu Oil Terminal.

To tear down the barriers that make our country uncompetitive, we have put up a new oil terminal that I shall be opening soon, and that will accommodate four vessels at a time. Instead of taking a whole day offloading fuel, each of the four vessels will take five hours to offload their fuel cargo. This means that every terminal will handle over 20 vessels a day.

Put differently, if the old terminal has handled around 300 fuel vessels per year on average, the new terminal has the capacity to handle 7,300 vessels annually. Coupled with the improved transportation system connecting Kenya with its neighbours, the expanded capacity will boost our regional trade as well as remove the cost of demurrage and penalties that the Kenyan consumer has to pay.

Hon. Speakers, most of my administration's key priorities has been to revive State undertakings that have been designated as 'dead capital'. I have done this as part of our 'Big Push Investments' because the utility of those State undertakings could not be allowed to go to waste.

To increase the speed of reviving this dead capital, I decided to use the Kenya Defence Forces (KDF) because of their unity of command, military efficiency and reasonable pricing. As an example, after the KDF took over the Kenya Meat Commission (KMC), they turned it around in just a few months. Whereas previously it took farmers four years to be paid, they are now paid in 72 hours. The KMC has resuscitated its outlets and currently collects approximately Kshs1 million daily. Previously, those outlets collected Kshs8,000 daily. *Mjiulize hiyo pesa ingine ilikuwa inaenda wapi?*

(Laughter)

That Kshs1million daily translates to Kshs30million every month and Kshs3.6 billion annually, in just one outlet. Before September 2020, such revenue would have been impossible because slaughtering was limited to few or no animals in a month.

To further enhance the profitability of KMC, we have linked it to another 'dead capital' that my administration has revived, namely, the metre gauge railway from Nairobi to Nanyuki, which has been revived under the KDF. The KMC is now using it to transport more than 200 animals weekly.

Another aspect of KMC re-engineered supply chain is its relationship with the Ewaso Nyiro South Development Authority (ENSDA). This Authority has a tannery and leather factory which the KMC has been supplying with hides and skins. Although the factory is still not yet complete, it has so far produced about 840,000 square feet of finished leather, partly from KMC supplies. Once complete, it is expected to produce about 1.2 million square feet of finished leather per year.

Apart from the revival of the KMC and the Nairobi-Nanyuki Railway, the KDF, in partnership with the Kenya Railways Corporation, has revamped the 217-kilometre Nairobi-Kisumu Railway that had been abandoned for two decades. Today, it now boasts of 18 stations, 46 bridges and 27 viaducts. Together with the revival of the Port of Kisumu, revamping this railway line is meant to enhance connectivity with our neighbouring countries that depend on Kenya for the transportation of their imports and exports.

(Applause)

Another uplifting story of revival of dead capital is our Big Push Investment in the Port of Kisumu and the reconditioning of MV Uhuru Vessel. Transporting fuel by road from Kisumu or Eldoret to Uganda previously took 72 hours because of the long queues at the Malaba

Border. However, transporting fuel from the Port of Kisumu to Port Bell in Uganda by ship only takes 12 hours. This means that by the time a tanker makes one trip to Uganda by road, the MV Uhuru will have made six trips.

(Applause)

There is also the question of volume. One tanker carries 20,000 litres of fuel, but one wagon aboard MV Uhuru carries 60,000 litres, which is three times the size of a tanker.

Secondly, for all our customers in Uganda through to the Democratic Republic of Congo (DRC), issues of losses that used to amount to approximately 10 per cent and issues of adulteration z*imeisha*.

(Applause)

To date, we have transported over 80 million litres of fuel across Lake Victoria to Uganda.

Hon. Speakers, my administration has set in motion the process of reviving the blue economy. A blue economy strategy that is set to reclaim all fish landing sites is in place. We have set up a coast guard to secure our maritime assets and have come up with a legal framework that will ensure that all the fish that is caught in Kenyan waters are landed in Kenya.

(Applause)

It is worth for Parliament to note that in the 1990s, Kenya used to process 5 per cent of the global loin tuna catch. This was produced by a company known as Wananchi Marine Products Limited based in Liwatoni in Mombasa. When that company collapsed, Kenya's tuna was extracted by other countries and resold in foreign markets.

Inability to exploit our tuna resources has seen Kenya lose a potential revenue of Kshs3 trillion since 1982, when the Exclusive Economic Zones were set up by the United Nations. To revive this dead capital, my administration formed the Kenya Fishing Industries Corporation in 2019 to regulate the exploration of Kenya's marine and fish products. This Corporation took over from the defunct Wananchi Marine Products and is in the process of setting up marine landing sites and processing plants in Lamu, Shimoni and Liwatoni. Once fully operational, the goal is to land 300,000 metric tonnes of tuna every year and employ a workforce of approximately 60,000 people. This industry has the potential to rake in Kshs200 billion a year for Kenya.

Overall, as we seek to improve our infrastructure, our commitment to sustainable development is uncompromising. It is the solemn duty of present generations to consciously conserve the natural beauty, ecological splendour and pristine environment that we received from our forefathers and generations before them, and to pass it on to future generations in as good a state as we can, unbroken, as it was given to us, if not in a better condition.

In that regard, I note with satisfaction that our Greening Kenya Campaign continues to gain momentum. As a result, approximately 71,794square kilometres of our homeland is currently constituted of tree cover representing 12.12 per cent, while 52,279 square kilometres of our country is under forest cover which represents 8.83 per cent up from 6 per cent. We are on course to meet our target of 10 per cent forest cover by 2024 for trees are without doubt the "lungs" of our nation.

I will now turn to the third frame which I have used to organise the achievement of goals in my administration. I call it the restoration of dignity and it is a campaign against the three enemies that were identified by our forefathers, namely: ignorance, poverty and disease.

The Founding Fathers of our nation defined dignity as freedom from want and fear. They taught us that there is no self-rule where there is no self-worth. Under this frame, I will report on the state of our water, health, education and security sectors.

Where there is no access to clean drinking water, there is no dignity. That is why my administration prioritised and succeeded in providing 35 million people with access to clean water. When I took office in 2013, the entire country was served by just 99 public boreholes. In the last financial year alone, we have managed to sink 262 public boreholes. Today, more than 2,511 public boreholes have been sunk since 2013 - a 25–fold increase in the number of boreholes.

In order to continue this widening of access to clean water, my administration has over the years invested over Kshs200 billion to implement various dams and other integrated community projects that will increase water supply to vulnerable communities. In the Nairobi Metropolitan area alone, the project is set to supply 41.3 million litres of water per day to an additional 2.1 million residents.

This is critical because the 'poverty of dignity' is most pronounced in the water scarce economies of the informal settlements and in vulnerable communities. For instance, the average daily consumption of water per household in informal settlements in Nairobi is 40 litres. If the price of the 40 litres is Kshs40, a household will spend Kshs1,200 per month buying water only. This is 20 per cent of the income of an average family and, for the most part, the price of water has been higher than that of rent.

This 'poverty of dignity' is well illustrated when one considers that the price of water for the rest of Nairobi is Kshs46 per 1,000 litres. Put differently, the dwellers of informal settlements have been paying 25 times more for water compared to the rest of Nairobi dwellers. This is why the Nairobi Metropolitan Services (NMS) has set up 1,600 water points in the informal settlements to supply free water to the residents. This initiative has saved dwellers of those settlements up to 20 per cent of their incomes or approximately Kshs1,200. This is what I am calling freedom from 'want'.

Hon. Speakers, one of the most 'indignifying' challenges of our people has been the high cost of healthcare. There are many testimonies of how families have had to sell their ancestral land to cater for high medical bills. This not only rips them of dignity, but it also deprives future generations of ancestral address. The objective of my administration is to end this by providing 100% Universal Health Coverage (UHC) for essential health services starting this year. The constitutional right to healthcare is the entitlement that my administration has been consistently working to fulfill by investing in health facilities, medical equipment and human resources for health.

Our success in this arena has been lauded internationally. According to the Health Care Index, which gives a single measure of the state of each country's health system based on data provided by the World Health Organisation (WHO), Kenya ranks third behind South Africa and Tunisia, among the most improved healthcare systems in Africa in the year 2020.

To achieve this, my administration has worked to increase access, affordability and availability of health care services for all Kenyans. Access speaks to the geographical availability of health care facilities and services. Affordability speaks to both the cost of health care services and the ability of Kenyans to pay for those medical services. Availability speaks to the extent to which our health care facilities have the necessary resources to meet the health needs of Kenyans.

In terms of access to healthcare, when my administration took over in 2013, the number of health facilities across the country stood at 4,430. My administration, in conjunction with county governments, has increased our medical facilities by 43 percent by building 1,912 new hospitals in the last 8 years. This is an average of 239 new facilities per year.

In context, in the previous 118 years only, 4,430 hospitals had been built in Kenya, an average of 37 hospitals per year. However, under my administration we have built 6 times more hospitals per year than all four previous administrations combined.

To increase access to specialized medical services and decongest Kenyatta National Hospital, my administration has upgraded two hospitals to referral status during my term. The upgraded hospitals are the Kenyatta University Teaching, Referral and Research Hospital and its Integrated Molecular Imaging Centre (IMIC) in Nairobi County and the Othaya Annex Hospital in Nyeri County. The Othaya Annex is currently serving 8 counties in the Central Kenya region.

To ensure that access to healthcare is cascaded to the lowest administrative unit, Level 5 hospitals have increased by 44 per cent; Level 4 hospitals increased by 9 per cent; Level 3 hospitals increased by 34 per cent and Level 2 hospitals increased by 49 per cent.

Regarding affordability of healthcare, my administration has consistently increased the annual allocations to the Ministry of Health. Kenya has the highest budgetary allocation for health in East Africa, which currently stands at Kshs121.1 billion for the year 2021. Our sizable health budget will be used to expand access to primary healthcare services, ensure free maternity care, eliminate user fees for public primary care facilities, and subsidise health insurance for the elderly and people with severe disabilities.

My administration also allocated Kshs900 Million as conditional grants to support the implementation of free primary healthcare in all our 47 counties. The highest allocation of the conditional grants was to the Rift Valley region at Kshs247.19 million.

The NHIF SUPA Cover launched in July 2015 is another initiative of my administration to guarantee affordability of healthcare. Through this cover, dialysis patients and cancer patients are able to pay for their treatments locally or abroad, where the specific treatment is not available in the country's public hospitals.

In the Financial Year 2019/2021, NHIF managed to pay for 4.44 million hospital visits; covering 1.43 million cases of inpatient services and 3.01 million cases of outpatient services; this in turn saved Kenyan households, approximately Kshs54.9 billion in financial losses brought about by health-related issues.

With a monthly subscription of Kshs500, the NHIF SUPA Cover has become Kenya's largest, most reliable, accessible, and affordable medical insurance cover. Over the last 8 years of my administration, NHIF's membership has steadily grown. So far, the total NHIF membership stands at 10.5 million members, up from just 4 million members in 2013, an increase of 163%.

Hon. Speakers, I acknowledge with appreciation that the National Assembly recently passed the National Hospital Insurance Fund (Amendments) Bill, 2021, and the same is now presently before the Senate. I, today, urge through you, Hon. Speaker, that the Senate expedites the consideration of the Bill so that in the life of this House, we can all join in ushering UHC for all.

Hon. Speakers, Hon. Members, let us tear down the barriers that inhibit our quest to deliver quality healthcare for all Kenyans. To improve the standard of our healthcare facilities, my administration has boosted bed capacity, improved access to medical equipment, and increased the number of medical training schools. In 2013, the total bed capacity in public health facilities was 56,069 hospital beds. This increased by 47 percent to 82,291 hospital beds in 2020.

The North-Eastern Region of our country has experienced the highest expansion in hospital bed capacity, up from 2,443 hospital beds in 2013 to 4,566 hospital beds in 2021. This is followed by the Nyanza Region, which experienced an expansion in bed capacity of 63 per cent from 9,249 hospital beds in 2013 to 15,054 hospital beds in 2021. Nairobi has experienced an expansion of 57 per cent from 7,866 hospital beds in 2013 to 10,399 hospital beds in 2021.

Through the Managed Equipment Services (MES) Project, my administration has supplied 1,241 pieces of specialised medical equipment; with 113 hospitals being equipped in the 47 counties at a cost of Kshs43 billion.

In 2013 when I took over, there were only 26-dialysis machines countrywide. Today, that number stands at 603. Those machines have thus far benefitted 383,622 patients and through the National Health Insurance Fund (NHIF) scheme, they have saved Kenyans approximately Kshs2.3 billion. Similarly, we have increased the number of radiology and imaging machines across the Republic. Using the health insurance scheme, this has benefitted 4,534,822 patients and saved Kenyans a total of Kshs47.6 billion.

Hon. Speaker, to add another arrow in our agenda on the management of cancerous parts of our Universal Health Coverage (UHC), about one month ago, I presided over the official opening of the Integrated Molecular Imaging Centre at the Kenyatta University Referral Hospital. The ground-breaking facility is not just a first of its kind in Kenya, but for the entire Sub-Saharan region. As a result, many of our patients suffering from cancer will now have the benefit of early detection leading to early treatment and cure, thus saving many lives. This will in turn relieve our families of acute financial stress and burden that comes with a cancer diagnosis and the physical and emotional burden that comes along with the management of the disease.

Hon. Members, regarding medical training, the number of Kenya Medical Training College (KMTC) campuses has increased from 28 campuses in 2013 to 71 campuses today. This year, the number of graduates of KMTC was 3,319 compared to 111 graduates when I took over in 2013. Similarly, the number of medical doctors trained annually has shot up from 620 in 2013 to 900 medical doctors in 2021.

Finally, with regards to health, my administration has prioritised the universal achievement of the right to reproductive healthcare as required by our Constitution. Indignity takes many forms and the most violating forms of these are that dispossess mothers. That is why my administration has committed itself to providing the higher standards of reproductive health through free maternity care.

In 2016, my administration introduced the Linda Mama Program which has led to the increase of birth deliveries by skilled providers from 43 per cent to currently 62 per cent. This has also forced a decline in maternal mortality rates by 26 per cent.

Under the Linda Mama Initiative, all pregnant women are eligible for free maternity healthcare, even those women who are not covered under NHIF. Each mother is allocated between Kshs2,500 and Kshs30,000 depending on whether the birth is normal or by caesarean section. Thus far, Linda Mama has benefitted 5.8 million Kenyan women and has saved Kenyans Kshs81.4 billion through the health insurance component of the program.

(Applause)

With Linda Mama, I am confident that we can achieve “freedom from want” for our vulnerable mothers. Now our children can be born in dignity.

On liberating our people from the poverty of dignity and making them health assured, a good example is the work of the Nairobi Metropolitan Service (NMS). During one of my inspection tours during the COVID-19 period in Mukuru Kwa Rueben, I was saddened to learn that 500,000 people were being served by a private health facility which only had eight beds. A woman giving birth in this facility cannot be admitted for more than two hours. In fact, after giving birth, she had to get out in one or two hours in order to give way for other patients. The only time that she can stay for a day is if she has complications and cannot be transferred immediately by a family member to an alternative facility. If this is not poverty of dignity, what is it?

To resolve this embarrassment and to enhance access to quality healthcare for our fellow citizens living in informal settlements, I ordered for the establishment of 5 fully fledged health centres within the Nairobi Metropolis among them: Muthua-Uthiru Health Centre, Tassia Health Centre, Ngumba-Mathare Health Centre, Lucky-Summer Health Centre and Kayole-Soweto Dispensary. Besides the 5 above, construction works are also on-going in regard to an additional 10 facilities within the metropolis.

(Applause)

Hon. Speakers, enabling Kenyans to have decent and affordable homes has been one of the pillars of the Big Four Agenda. The Affordable Housing Program has been, over the last four years, my keen intention. We have had problems in passing legislation before this House, but I can happily say that despite this, we have seen an increase in private investment in the housing sector amounting to some Kshs2.12 trillion. Those investments have yielded over 186,000 housing units, a remarkable 43 per cent increase of housing units compared to the years 2013 to 2017. The general prices of houses have decreased slightly and we must continue to see what it is that we can do together to increase the amount available in terms of affordable housing. This will, therefore, result in many more Kenyans being able to enjoy the dignity and pride that comes with owning a home.

To institutionalise this Affordable Housing Program into prosperity and in partnership with some of our development partners, we have also established the Kenya Mortgage Refinance Company. This financing powerhouse provides long-term, large scale funding to banks and Saccos which in turn avails those funds to home buyers at flexible and affordable interest rates of below 10 per cent. Therefore, the dream of owning a home today is a greater possibility to many more of our fellow citizens than it was 4 years ago.

Hon. Speakers, food security is another key pillar of the Big Four Agenda and to ensure significant improvement in farm productivity and by enhancing the quality of farm inputs and reducing reliance on rain fed agriculture, in the last year, we have seen the prices of maize meal retailing between Kshs95 and Kshs105. However, despite a bumper crop in some parts of our country due to the poor performance of the short rains in 2020 and the long rains this year, parts of our country have suffered severe drought situations. As a result, 2.1 million of our fellow citizens are food insecure.

The recurrence of drought is a phenomenon that successive administrations have grappled with little success. Even though we have made progress in the mitigation of drought, the progress has not been fast enough. So, as part of our state response, we launched an elaborate framework for ending drought emergencies in Kenya. The framework focused on investing in interventions that will build the resilience of all vulnerable households to drought. This included over Kshs25 billion investments in the foundations of development such as sustainable peace building, conflict management, water harvesting and supply, road construction and improvement, education and training, health and nutrition services.

In addition, investment in community-based resilience and drought preparedness projects has also been accelerated through the support of the national and county governments, as well as our development partners. The aim of those investments is to improve the livelihoods of vulnerable households by diversifying their livelihoods.

As we respond to the current drought, we have commenced with the Livestock-Offtake Programme and initiated support to the affected citizens in a dignified manner through the cash transfer system, which is a cash transfer system of stipends to the affected families that replaces the dignity of having to queue for distribution of food portions.

Hon. Speakers, the Government will continue to support all vulnerable households, and will endeavour to ensure that notwithstanding the severity of the winds of drought, no Kenyan will die of hunger. If dignity is freedom from 'want' accompanied by freedom from 'fear, then I can confirm to the two Houses that we have done a lot to liberate our people from "want". But I also want to underscore that more has been done to liberate our people from fear, yet very little has been spoken about it.

Today, and with your indulgence, Hon. Speakers, I will go on record in this august House as having been the Commander-in-Chief that steered the implementation of the most consequential and ambitious transformation of our security sector. We did this because my administration appreciated that to have freedom from fear, our security sector has to be in good form. To give an example, the police to population ratio today is at its highest level ever as prescribed by the United Nations (UN) standard. Our police complement has received an additional 47,000 new recruits who have joined the Service from the year 2013 to date.

Similarly, over the last eight years, we have undertaken the most consequential and expansive modernisation of our military. In fact, the reform undertakings in the military are unparalleled in our nation's history. We have invested substantially in building new barracks and also in military manufacturing capabilities that have not only resulted in the spurring of previously dormant sectors, but also the creation of jobs for young people both directly and through ancillary services. For the first time in Kenya's history, we are producing our own light weapons and military uniforms, other equipment and supplies that were previously imported.

(Applause)

We have, as a result, employed over 600 young people in these industries, in high paying high-skilled jobs and saved our country a lot in foreign exchange. We have achieved knowledge and technology transfer for growth and anticipated future development. I am determined to tool and re-retool our security resources to the highest standards attainable. This is the only way we will guarantee 'freedom from fear' for our people and, indeed, secure our territorial integrity.

(Applause)

Hon. Speakers, on territorial integrity, I want to go on record in this House that our forefathers bequeathed us our homeland and nation. The Government of Kenya will do everything possible to preserve the territory of this great republic and ensure that generations after generations of Kenya dwell in it, as it is, in fact, intact and encumbered.

(Applause)

Hon. Speakers and Hon. Members, as I have said before, not an inch more, not an inch less.'

(Applause)

Hon. Speakers, this aside, I want to say that the health of a security system is only as good as the health of its officers. This is why I have invested in the social welfare of personnel charged with the security of our nation. We have reviewed their remuneration, allowances, benefits, housing and insurance. We have also increased the capacity of the health facilities used by our security organs.

In particular, we have, recently, established a new Level 4 hospital in Kahawa Garrison, and soon, I will be in Isiolo opening another Level 4 hospital. I recently commissioned a Trauma and Counselling Centre at Manda in Lamu County. We shall also be breaking ground on additional three Level 4 hospitals, one in Eldoret for the Defence Forces, in Ruiru for the Prisons Services and in Mbagathi for the National Police Service. The upgrade of the Forces Memorial Hospital to a Level 5 facility is set to begin early next year. In addition, there is the ongoing construction of the very first Level 6 hospital for the Defence Forces off Waiyaki Way in Nairobi.

(Applause)

Our focus on military and police housing will further augment the social support structures that we have prioritised for our disciplined forces. In addition to ongoing initiatives to improve on police housing, the Government will, later this month - that is me, I am not the Government, but…

(Laughter)

I will, later in the month of December 2021, break ground for the building of 3,500 houses for our military officers.

(Applause)

Hon. Speakers, since I came into Office in 2013, we have embarked on a path that has placed human development at our foremost priority. A nation is more than borders and territory; a nation is her people. To judge a nation, one must examine the lives of ordinary citizens, and the extent to which they can access the basic requirements owed to them. The quality of this access is what gives them dignity.

At the heart of that development of our nation is the development of a dignified citizen, and I believe that education is the gateway to this development; a gateway that tears down inequality. That is why today, I am pleased to report on the gains that we have made in the last eight years in the sector of education.

By the year 2030, our population is expected to be about 63 million. Out of this, about 38 per cent of Kenya's population will be categorised as school going. This means that two out of every five Kenyans will be in school. In order to meet the ever-growing demands of this global landscape, we must prepare the next generations now; today and not tomorrow. This is why we have been committing each year to channelling a substantial amount of our national budgetary resources to our education sector. In this past financial year, we ensured that about a quarter of our national budget was allocated to education.

In a call to action endorsed by several Heads of State and Government at this year's Global Education Summit, that Kenya was privileged to lead alongside the United Kingdom (UK), my administration pledged to allocate 26 per cent of our national expenditure to education in the coming financial year. This, I believe, is an achievable target given that our current apportionment stands slightly less than a quarter.

These dedicated funds have allowed us to achieve what was previously thought to be impossible goals. In 2009, the first year of free secondary education witnessed a 66.9 per cent transition from primary to secondary school. But by 2018, we had increased that transition rate to 85.5 per cent. Today, we can proudly report that we have secured a true 100 per cent transition rate for three successive years in our primary to secondary school system.

(Applause)

Equally and important to note is that we have achieved the global feat of a 1:1 book ratio in all our public primary and public secondary schools. This has improved the quality of education and reduced the cost of education on parents. To further ensure that no Kenyan child is left behind, and therefore, effectively enhance the delivery of the compulsory basic education from primary through to secondary schools, I am pleased to report to the Houses that since 2013, we have recruited an additional approximately 107,000 teachers comprising of 54,775 primary school teachers and 52,453 secondary school teachers. Our enhancement of manpower in these institutions for basic education by over 25 per cent has significantly mitigated the shortage of teachers in the country and in turn, bridged the teachers to student ratio.

Hon. Members, ladies and gentlemen, to continue with these achievements, we need to secure the entire education ecosystem. We need to ensure that there is adequate infrastructure, comprehensive policy choices, skilled educators and a healthy learning environment. In support of this, my administration has grown the number of schools at the pre-primary and primary school levels from 3,764 in 2007 to 10,118 in 2021. We are building an average of over 1,265 schools each year. Additionally, since 2013, the electrification of schools has been a priority. Currently, over 90 per cent of schools are connected to the grid. This has led to improved learning outcomes and enhanced utilisation of technology, including modern mass media tools in the classroom.

Another critical plank is education reforms in securing land tenure of our educational institutions. The founding technocrats of our nation did not envision a situation where secured tenure for schools would be an issue in the future. That is why they never secured title deeds for our schools. Today, we know differently. Our school titling programme, therefore, has become increasingly important. As of 2015, only 4,900 schools had been titled since Independence. Today, over 12,000 schools out of a total of 32,354 have been issued with title deeds because of our multi-agency effort. In guaranteeing public schools their titles, my administration has upheld the fundamental right to education and initiated a process to ensure that there is no school sitting on land that it does not own.

Najaribu kukatakata. Jameni, hata mimi nimechoka.

(Laughter)

Hon. Speakers and Hon. Members, let me conclude my Address by speaking about the fourth frame that has guided my administration. I call it political stabilisation. It is the doctrine that guided me on a path of the Handshake with the Rt. Hon. Raila Amollo Odinga.

(Applause)

Hon. Members, undoubtedly as I have tried to explain, my administration has secured an impressive economic acceleration, including the doubling of our GDP from Kshs4.74 trillion to Kshs11 trillion. We have also made big push investments that have spurred development, revived dead capital and boosted entrepreneurship. We have also restored dignity to our people through water and sanitation, healthcare, education, roads and security reforms. However, all of this would amount to very little without political stabilisation.

(Applause)

If every five years' toxic political climate and election-time tensions would reverse the gains painfully secured, our impressive development record of accomplishment would be an immense tower sadly built on sand but not rock. For the record, political stabilisation is not an end in itself. It is a continuous process that every administration, even those that come after me, must apply their minds to and secure. Let me explain: Next month we will be celebrating 30 years of political pluralism gained following the reintroduction of multi-party politics through the repeal of Section 2A of the former Constitution on 10th December 1991.

From the Mlolongo Voting System of the KANU era to our vibrant democracy today, we must celebrate the journey we have taken and the expanded fields of freedoms we enjoy. While, undoubtedly, multi-party politics have been a much better democratic platform than the single-party state, we must not ignore the very real negative aspects of our politics and electioneering. The evidence of this is plainly observable in the elections of 1992, 1997, 2007, 2013 and 2017. It is only in 2002, when yours truly surrendered easily, that we did not have a problem.

(Laughter)

In 1992, the election cost us Kshs248 billion in lost economic growth. Lives were lost and populations displaced. During this election, Kenya's foreign direct investments fell by two-thirds, from Kshs1.8 billion to Kshs600 million. In 2007, the election eroded the equivalent of Kshs250 billion in lost economic growth in a matter of days. Lives were lost and populations displaced, just as had been the case, to a far lesser extent, in 1997. In 2017, we lost close to Kshs1 billion every working hour for the 123 days we held the election. In fact, in the 2017 election, the economy lost approximately Kshs1 trillion in response to that electioneering period.

And the question I pose, therefore, to the leadership of this country present here today is this: Is this right?

Hon. Members: No.

His Excellency the President (Hon. Uhuru Kenyatta): Is the trajectory the logical path that our country should take?

Hon. Members: No.

His Excellency the President (Hon. Uhuru Kenyatta): Thank you. As I have said before, our country has been in a constitutional moment since 2017. The only question is: What should we do with this constitutional moment? If we do not embrace it, how will it return to punish our nation? If we embrace it, who are the winners and losers of that moment? That, Hon. Members, is the question before us today.

The parliamentary record, as well as history, reflects that during this reporting period, my administration attempted to resolve the constitutional dilemma facing our country. We went to the people and five million Kenyans agreed to initiate the process of putting the first amendment to the 2010 Constitution to a vote.

(Applause)

The first amendment was thereafter taken to the county assemblies where it received nearly a unanimous endorsement. In this august Parliament, the people's elected representatives gave the first amendment a clear nod of approval by a margin in excess of two-thirds.

(Applause)

I am speaking to those that need to listen to this. If, indeed, Article 1 of the 2010 Constitution states that all sovereign power rests with the people of Kenya and can be exercised either directly or through their representatives, the people made their voices heard with regard to the first amendment.

(Applause)

They exercised this power directly through the Independent Electoral and Boundaries Commission (IEBC) petition for constitutional change, and indirectly through the county assemblies and Parliament. The record of Parliament attests to the fact that the people wanted a constitutional change, but a few individuals sat down in a backroom and decided otherwise.

(Laughter)

That said, and this being a House of records, I must record what we lost from the first amendment. I am doing this for Parliamentary record and for posterity. The first loss was equity in resource allocation. In missing the first amendment to the 2010 Constitution, Kenyans missed the possibility to increase the minimum county allocation from the current 15 per cent to 35 per cent.

(Applause)

As mentioned earlier, my administration has increased this allocation to 30 per cent through administrative fiat. However, to anchor this goodwill in the Constitution so that devolution is embedded, we wanted a constitutional amendment that was clear and certain. This did not happen. Had this amendment been adopted, counties would have, by law, received Kshs562 billion instead of the Kshs316 billion allocated to them in the 2020/2021 Budget, an increase of over 75 percent of their current allocation.

The second loss from the first amendment was proportional representation. Proportionality is about the equitable distribution of resources amongst all groups. On this point, I want to focus on one; gender balance.

(Applause)

The first amendment to our Constitution would have ensured that 50 per cent of all Senators are women. The logic was to ensure that if we percolate the proposed 35 per cent of our national revenue to counties, women should be at the centre of decision-making on how this revenue is utilised. This did not happen.

The third loss was about expanding the national Executive to accommodate a broader face of Kenya and expand representation. This would have constitutionalised the end of the winner-takes-all outcome of elections that creates so much toxicity and tension.

(Applause)

Again, this did not happen.

Hon. Members, we cannot behave like the proverbial ostrich and bury our heads in the sand. A constitutional moment does not resolve itself simply by being ignored. The need for political stabilisation is, I believe, the most urgent task facing Kenya today. It is the foundation upon which our greater justice, fairness, health, wealth and security will be built on. For that reason, that which did not happen will happen.

(Applause)

Hon. Speaker, ladies and gentlemen, I have given an account of my tenure in office for the last eight years with a focus on the last one year. I thank all Members of Parliament in both Houses for their individual and collective contributions to the realisation of our legislative agenda. Over the last year, the National Assembly considered and passed 30 Bills, while the Senate passed 19 Bills, out of which three have received Presidential assent while 16 others are before the National Assembly.

Hon. Speakers, I also note with appreciation that the National Assembly considered and approved four Sessional Papers, 36 statutory instruments, and 15 treaties over the past one year, including the Economic Partnership Agreement (EPA) between the Republic of Kenya and the United Kingdom and Northern Ireland.

As you are aware, there are a number of critical legislative proposals emanating from the Executive which are still pending in Parliament. To that end, I urge Parliament to expedite and conclude on the legislative processes so that we can have those urgently needed pieces of legislation in place. My administration has submitted the Huduma Bill so as to conclusively institutionalise the reforms on the national identity ecosystem through the establishment of the National Integrated Identity Management System (NIIMS).

The other seminal legislative proposals include the Political Parties (Amendment) Bill, 2021; the Political Parties (Membership) Regulations, 2021; the Government Contracts Bill; the Kenya National Blood Transfusion Bill, 2020; the Irrigation (Amendment) Bill, 2021; the Kenya National Library Service Bill, 2020; and the Proceeds of Crime and Anti-Money Laundering (Amendment) Bill, 2021. Once enacted into law, the Proceeds of Crime and Anti-Money Laundering (Amendment) Bill will enhance the integrity of our financial system by closing the last loopholes in our war against money laundering and other such *maneno*.

(Laughter)

This amendment is not in any way expected to erode a key tenet of the legal practice of the advocate-client privilege.

However, I note that on Friday this week, Parliament shall proceed on its traditional long recess. To that end, through you, Hon. Speakers, I urge Parliament to consider adjusting its calendar to ensure that all the critical legislation and legal instruments, including those relating to elections, are concluded in a timely manner.

As we look to the future, I see great promise. However, as I said earlier, we must be bold enough to shape it. In just about eight years, our national development blueprint, the Kenya Vision 2030, will have run its course and with it, will come the dawn of the fourth decade of the 21^{st} Century. By 2030, Kenya will be home to about 63 million of us. The foundation that successive administrations have built will bear true dividends if we boldly re-imagine our future. However, if we go it alone, we might not secure the best opportunities for our children. In my eyes, our best chance as individual African nations is to embrace a continent where there is free movement of persons, goods, services and capital as characterised under Africa Free Trade Area Agreement. This is because, as I have said before, we are not competitors, but rather comrades with a shared dream which will be achieved faster through collaboration.

The Pan-African dream of our founding fathers that inspired the establishment of the Organisation of African Unity (OAU) that ultimately transitioned into the African Union must transcend to being beyond an inspiration. For Kenya to lead towards this course, on assuming the Presidency for a second term, I issued a directive that any African wishing to visit Kenya would be eligible to receive a visa at the port of entry. I did this in the full realisation that to secure the prosperity of all Kenyans, East Africans, and Africans, we must begin in earnest to tear down the walls that divide and separate us. I challenge Parliament to put in place the legal framework to lead to closer union with our brethren across the continent, and to advocate for a shared prosperity, greater fraternity, and greater security in Africa.

This intent must, however, be preceded by a solidification of our various regional blocs, and in particular our East African Community. I say this because the whole is greater than the sum of its parts. When each part appreciates its role and the contribution of the other parts, then the body is able to function effectively.

The African Union will only be strong and vibrant when our regional blocs are of similar character. We must simultaneously re-energise our common bond as brothers and sisters in the EAC region, even as we craft the path to the single African Union.

This is the future I see. Hon. Speaker, lead the House in tearing down those barriers.

It is now my high privilege and extreme pleasure to submit to Parliament the following three reports as required by the Constitution:

1. Report on Measures Taken and Progress Achieved in Realisation of National Values, 2020.
2. Report on Progress Made in Fulfilling International Obligations of the Republic, 2020.
3. Report on the State of Security of Kenya, 2020.

I have the pleasure of submitting, alongside the constitutionally required reports, the Kenya Business Climate Reforms Milestone Report, 2020/2021. I submit the Report in recognition that micro, small, and medium enterprises remain the lifeblood of our economy. As I had citied earlier, my administration has instituted various reforms over the last year that tore down the barriers that constrained the growth of micro, small and medium enterprises (MSMEs), enabling these enterprises to seize more opportunities and build back better. In that regard, I commit the Reports to the record of Parliament so as to maintain the momentum of the powerful engine that has kept our economy roaring.

I thank you all. May God bless you and may God bless, preserve and protect the Republic of Kenya and her people. Now, therefore, I hand over the Reports to the Speaker of the Senate and to the Speaker of the National Assembly, in that order.

Asanteni sana.

(Applause)

ADJOURNMENT

The Speaker of the Senate (Hon. Ken Lusaka): Order Members. Hon. Senators, having concluded the only business in today's Order Paper, the Senate now stands adjourned until tomorrow, Wednesday, 1st December 2021, at 9.30 am in the Senate Chamber.

I thank you.

The Speaker of the National Assembly (Hon. Justin Muturi): Hon. Members of the National Assembly, the National Assembly now stands adjourned until Wednesday, 1st December 2021, at 9.30 a.m.

All Members and invited guests will join His Excellency the President for a reception at the Parliament Courtyard. In the meantime, please remain standing in your places as the President's and the Speakers' procession leave the Chamber.

I thank you.

The House rose at 6.05 p.m.